

2019 DRAFTING REQUEST

Assembly Amendment (AA-AB56)

For: Legislative Fiscal Bureau Drafter: eshea
By: Gentry Secondary Drafters:
Date: 6/14/2019 May Contact:

Same as LRB:

Submit via email: YES
Requester's email:
Carbon copy (CC) to: elisabeth.shea@legis.wisconsin.gov
Elizabeth.wheeler@legis.wisconsin.gov
John.Gentry@legis.wisconsin.gov
Charlie.morgan@legis.wisconsin.gov

Pre Topic:

LFB:.....Gentry -

Topic:

Motion #5; Wisconsin Works and TANF changes

Instructions:

See attached

Drafting History:

Table with 6 columns: Vers., Drafted, Reviewed, Submitted, Jacketed, Required. It contains two rows of drafting history data.

FE Sent For: <END>

Shea, Elisabeth

From: Gentry, John
Sent: Saturday, June 08, 2019 11:58 AM
To: Wheeler, Elizabeth; Shea, Elisabeth
Cc: Morgan, Charlie
Subject: RE: TANF Table and Motions 5, 41, and 111 - Drafting instructions
Attachments: 111.pdf; 41.pdf; 5.pdf; Family First

Attached at the bottom is the preliminary estimate of what the TANF table in 49.175 should look like through the motion 111. I'll let you know if I need to make any corrections to this.

Also attached are Motions 5, 41, and 111. Here's what JFC has done (Based on LFB summary items):

X Motion 5: Pulled (Takes no action on and thus is no longer in the bill)
Economic Support and TANF-funded Programs - 3, 4, 5, 6, 7, 8, 10, and 32
Youth Services - Juvenile Justice 1

X Motion 41: Takes money into JFC supplemental (contact me with any additional questions)
Economic Support and TANF-funded programs - 26 and 34

Motion 111:

- A. Adopt CANPB 1 and 2
- B.
 1. Paper 185 - adopts TANF reestimates [see table below]
 2. Paper 186 - rejects LFB12 TMJ CA [sections 219 and 642]
Instead, provide \$500,000 TANF annually for existing TMJ/transitional
AND increase age eligibility from up to 24 to up to 25
 3. Paper 187 - reject the funding increase and instead increase the maximum per capita reimbursement from \$400 to
\$800
 4. Paper 188 - provided additional funding for Wis Shares
 5. Paper 189 - provides funding for WIs Shares and also increases the reimbursement limit for regularly and provisionally
certified providers to up to 90% of the licensed family rate
 6. Paper 190 - Provides TANF funding. Also, nonstatutory provision -

DCF is directed to increase the YoungStar adjustment effective on the date of the bill through June 30, 2021. On and after July 1, 2021, DCF retains authority to set the YoungStar adjustments up to 15% and up to 30%, for four- and five-star programs respectively.

7. Paper 191 - Provides \$1,000,000 GPR for the Family Foundations Home Visiting Program. Rejects "We Got This"
(Name change is not adopted)
8. Mod paper 192 - See paper for instructions
9. Adopt items 2, 9, 11, 18, 21, 22, 23, 31, 33
10. New item - \$60,000 TANF annually for GED testing [see table below]
- C.
 1. Paper 205 - Provide \$5,000,000 GPR in 2019-20 and \$18,500,000 GPR and \$7,000,000 Title IV-E FED in 2020-21

New statutory allocation is as follows:

CFA

	<u>2019-20</u>	<u>2020-21</u>
2018-19 allocation	\$74,308,000	\$74,308,000
Cost to Continue Act 59 Foster Care Rate Increases	432,200	380,400
Foster Care Rate Increase in Bill	332,100	664,200
CFA Funding Increase	5,000,000	25,500,000
Foster Care for Parents Living in Treatment Programs	186,600	186,600
Program Revenue Reestimates	<u>-133,700</u>	<u>106,300</u>
 Statutory Allocations in Bill	 \$80,125,200	 \$101,145,500

There are also modifications to Milwaukee County Contribution [I believe that you have drafted this already]

- C. 2. Paper 206 - mod cost estimate
- C. 3. Paper 207 - Adopts Governor's provisions, no change to bill
- C. 4. Paper 208 - modification - see paper for language [see paper and attached email for instructions]
- C. 5. Paper 209 - increase rates by 4% in 2020, deny the governor's driver license program
- C. 6. Paper 210 - see paper and attached email for instructions
- C. 7. Adopt LFB items 2, 5, 6, 7, 11, and 13.
- D. 1. Paper 215 - changes composition of the funding, but not the amount. Also, change effective date of fee increase
- E. 1. Adopt Gov's recommended Departmentwide LFB summary 1, 2, and 3
- F. Juvenile Justice is held over for Tuesday. No action on these items
[except Motion 5 already took out the 17-YO item]
Further, they will likely accept the mod paper, so you can go ahead and update the number in the statute for Youth Aids

Give me a call for any questions. DCF should be finished at JFC on Tuesday.

Thanks,

John Gentry
Fiscal Analyst
Wisconsin Legislative Fiscal Bureau
John.Gentry@legis.wisconsin.gov
266-3847

2019-21 TANF & CC BUDGET

Updated for Motion 111 -

based upon YTD actions of JFC

	<u>Wis. Stat. sec. 49.175</u>	Governor		Reestimate	
		2019-20	2020-21	2019-20	202
Carryover from Previous Year		\$ 275,538,200	\$ 162,189,100	\$ 303,984,700	\$
Revenues					
State General Purpose Revenue (GPR)	20.437(2)(a), (dz)	\$ 160,373,800	\$ 160,381,400	\$ 160,373,800	\$

TANF Block Grant (FED)	20.437(2)(mc), (md)	\$	308,124,300	\$	312,059,600	\$	308,124,300	\$
Child Care Development Fund (FED)	20.437(2)(cm)	\$	128,174,600	\$	128,174,600	\$	126,889,000	\$
TANF and CCDF Recoveries (FED)	20.437(2)(me)	\$	4,287,600	\$	4,287,600	\$	4,287,600	\$
Child Support Collections (PR)	20.437(2)(k)	\$	2,703,900	\$	2,749,000	\$	2,703,900	\$
Child Care Licensing Fees (PR)	20.437(2)(jn)	\$	1,750,000	\$	1,750,000	\$	1,750,000	\$
AFDC Recoveries, State Share (PR)	20.437(2)(L)	\$	160,600	\$	160,600	\$	160,600	\$
SSBG from DHS (PR)	20.437(2)(kx)	\$	100,000	\$	100,000	\$	100,000	\$
Utility Public Benefits Funding (SEG)	20.437(2)(s)	\$	9,139,700	\$	9,139,700	\$	9,139,700	\$
Total Revenues		\$	614,814,500	\$	618,802,500	\$	613,528,900	\$
Total Available (Including Carryover)		\$	890,352,700	\$	780,991,600	\$	917,513,600	\$
Expenditures								
Wisconsin Works								
Subsidized Employment Benefits	49.175(1)(a)	\$	41,156,900	\$	41,157,200	\$	31,110,000	\$
Worker Supplement	49.175(1)(c)	\$	2,700,000	\$	2,700,000	\$	2,700,000	\$
Service Contracts	49.175(1)(b)	\$	51,528,300	\$	51,528,300	\$	50,000,000	\$
Other TANF Employment Programs								
Transform Milwaukee/Transitional Jobs	49.175(1)(k)	\$	8,000,000	\$	9,000,000	\$	8,500,000	\$
Child Support Related to W-2								
Children First	49.175(1)(m)	\$	2,280,000	\$	2,280,000	\$	1,140,000	\$
Child Care								
Direct Child Care Subsidies	49.175(1)(p)	\$	367,968,000	\$	376,852,600	\$	357,097,500	\$
Child Care State Administration	49.175(1)(q)	\$	39,722,100	\$	40,215,200	\$	40,152,100	\$
Quality Care for Quality Kids	49.175(1)(qm)	\$	16,532,700	\$	16,683,700	\$	16,532,700	\$
Other Benefits								
Kinship Care Benefits	49.175(1)(s)	\$	26,847,200	\$	28,448,100	\$	26,640,000	\$
SSI Caretaker Supplement	49.175(1)(r)	\$	25,013,300	\$	25,013,300	\$	25,013,300	\$
Emergency Assistance	49.175(1)(i)	\$	6,000,000	\$	6,000,000	\$	6,000,000	\$
Administrative Support								
State Administration	49.175(1)(g)	\$	16,461,200	\$	16,608,300	\$	16,671,200	\$
Local Fraud Aids	49.175(1)(h)	\$	605,500	\$	605,500	\$	605,500	\$
Grant Programs								
Grants to Boys and Girls Clubs of America	49.175(1)(z)	\$	2,675,000	\$	2,675,000	\$	2,675,000	\$
Wisconsin Community Services	49.175(1)(w)	\$	425,000	\$	425,000	\$	400,000	\$
Fostering Futures - Connections Count	49.175(1)(n)	\$	560,300	\$	560,300	\$	560,300	\$
GED Testing	49.175(1)(v)	\$	115,000	\$	115,000	\$	175,000	\$
Adult Literacy	49.175(1)(L)	\$	41,600	\$	41,600	\$	41,600	\$
Legal Services	49.175(1)(j)	\$	500,000	\$	500,000	\$	500,000	\$
Homeless Case Management Grants	49.175 (1)(f)	\$	1,000,000	\$	1,000,000	\$	1,000,000	\$
Families and Schools Together	49.175 (1)(d)	\$	250,000	\$	250,000	\$	250,000	\$

Offender Reentry	49.175 (1)(y)	\$	825,000 \$	825,000 \$	250,000 \$
Substance Abuse Prevention	49.175 (1)(uk)	\$	500,000 \$	500,000 \$	500,000 \$
Child Abuse Prevention Grant	49.175(1)(o)	\$	500,000 \$	500,000 \$	500,000 \$
<i>Expenditures in Other Programs</i>					
Earned Income Tax Credit	49.175(1)(zh)	\$	85,700,000 \$	86,700,000 \$	69,700,000 \$
SSBG Transfer to DHS/Community Aids	none	\$	14,653,500 \$	14,653,500 \$	14,653,500 \$
Child Welfare Safety Services	49.175(1)(t)	\$	9,300,900 \$	10,191,900 \$	8,314,300 \$
Child Welfare Prevention Services	49.175(1)(u)	\$	6,302,100 \$	7,464,600 \$	5,789,600 \$
Total Expenditures		\$	728,163,600 \$	743,494,100 \$	687,471,600 \$
TANF Year-End Balance		\$	162,189,100 \$	37,497,500 \$	230,042,000 \$

OMNIBUS BUDGET MOTION

Motion:

Move that the following list of items, as identified in the Legislative Fiscal Bureau's summary of the Governor's 2019-21 Budget Recommendations, be removed from further budget consideration by the Joint Committee on Finance.

ADMINISTRATION

General Agency Provisions

- Repeal Approval Process for Capitol Security Changes (Page 25, #11)
- Economic Development Liaison Project Position (Page 25, #12 and Page 451, #4)

Transfers

- Transfer of Worker's Compensation Hearings Functions from Hearings and Appeals (Page 26, #1 and Page 460, #2)

Housing and Energy

- Establish the Office of Sustainability and Clean Energy (Page 27, #1 and Page 364, #4)
- Repeal Sunset for Diesel Truck Idling Reduction Grant Program (Page 28, #2)

Facilities

- Modify Requirements for Leased Space (Page 32, #3)

AGRICULTURE, TRADE AND CONSUMER PROTECTION

- Repeal Minimum Markup of Motor Vehicle Fuel (Page 41, #7)

66344

CHILDREN AND FAMILIES

Economic Support and TANF-Funded Programs

- Wisconsin Works Lifetime Limit on Participation (Page 64, #3) * (b0095) ✓
- W-2 Education and Training Limits (Page 65, #4) * (b0097) ✓
- Limits on Participation in W-2 Placements (Page 65, #5) none
- W-2 Temporary Employment Match Program (Page 66, #6) * (b0099) ✓
- W-2 Internet Service Provider Subscriptions (Page 66, #7) (b0096)
- W-2 Caretaker of Infant Time Limit (Page 66, #8) (b0086) ✓
- Controlled Substance, Screening, Testing, and Treatment Eligibility Requirements (Page 67, #10) * (b0102)
- TANF Reallocation Approval (Page 77, #32) (b0078) ✓

FB Budget Summary

2. WISCONSIN WORKS BENEFITS

FED	-\$18,290,300
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Governor: Decrease funding for W-2 subsidized employment benefits by \$9,145,300 in 2019-20 and by \$9,145,000 in 2020-21. W-2 is a work-based program that provides training, support services, and cash assistance to eligible families. Participants in W-2 are assigned by the local W-2 agency to either unsubsidized employment or one of three types of subsidized employment: (a) trial employment match program (TEMP) jobs; (b) community service jobs (CSJs); and (c) transitional placements. W-2 benefit payments increased significantly during the 2008-2009 recession and decreased substantially after 2014. Because program spending has continued to decrease during the last several years, the current base funding levels do not accurately reflect anticipated caseloads and benefit payments for the 2019-21 biennium. The administration indicates that the decrease in funding would reflect the cost to continue W-2 benefits at anticipated caseloads.

The following table summarizes the funding that would be budgeted for W-2 benefits, including additional items proposed by the Governor.

**W-2 Benefits
Governor's Budget Recommendations**

This Item	2019-20			2020-21	
	Base	Change to Base	Total	Change to Base	Total
a. Base W-2 Benefits	\$44,625,000	-\$9,145,300	\$35,479,700	-\$9,145,000	\$35,480,000
b. W-2 Lifetime Limit	0	0	0	0	0
c. W-2 Education & Training	0	0	0	0	0
d. Limits on W-2 Placements	0	0	0	0	0
e. W-2 TEMP	0	0	0	0	0
Subtotal	\$44,625,000	-\$9,145,300	\$35,479,700	-\$9,145,000	\$35,480,000
Other Items in the Bill					
f. W-2 ISP Subscription	\$0	\$5,300,000	\$5,300,000	\$5,300,000	\$5,300,000
g. W-2 Caretaker of Infant	0	377,200	377,200	377,200	377,200
	\$44,625,000	-\$3,468,100	\$41,156,900	-\$3,467,800	\$41,157,200

[Bill Section: 644]

3. WISCONSIN WORKS LIFETIME LIMIT ON PARTICIPATION

60095

Governor: Increase the lifetime limit for participating in W-2 jobs and job access loans from 48 months to 60 months, effective for all W-2 participants on the effective date of the bill. DCF has not yet promulgated rules to implement the 48-month limit and indicates that the administration's W-2 benefits funding estimate reflects caseload trends that do not account for the implementation of the 48-month lifetime limit. Consequently, any increase in the cost of extending the lifetime limit is effectively funded under the W-2 benefits reestimate.

Under federal law, an adult in a W-2 group may receive TANF assistance for up to 60 months. Pursuant to 2015 Act 55, in order to be eligible for W-2 employment positions and job

access loans under state law the total number of months in which the individual (or any adult member of the individual's family) has participated in or received benefits under certain W-2 programs may not exceed 48 months. Except for limited exceptions, all months in which individuals participate in the following programs accrue against the lifetime limit: (a) W-2 employment positions; (b) the job opportunities and basic skills (JOBS) program under prior law beginning on October 1, 1996; and (c) any program in Wisconsin or any other state in which benefits were funded by federal TANF dollars. The 48-month time limit may be extended if the W-2 agency, subject to DCF review, determines that the individual is experiencing hardship or that the person's family includes someone who has been battered or subjected to extreme cruelty.

[Bill Sections: 610 and 611]

4. W-2 EDUCATION AND TRAINING LIMITS 60097

Governor: Repeal limits on education and training activities in a CSJ or transitional placement.

Under current law, a CSJ placement may include education and training assigned as part of an employability plan developed by the W-2 agency. Such educational and training activities are defined by DCF by rule and include a course of study for GED or high school equivalency, technical college courses, and educational courses that provide an employment skill. The W-2 agency may determine an appropriate number of work hours for a participant at the time of application or review. However, the W-2 agency may not require a participant to spend more than 40 hours per week in combined work and educational activities, with a maximum limit of 10 hours per week in educational and training activities. Transitional placements may likewise include an educational component, however, education and training is limited to no more than 12 hours per week. CSJ and transitional placements may include participation in a technical college program for a maximum of two years. In addition to participating in post-secondary educational activities, participants must be employed or engage in work under a CSJ or transitional placement for 25 hours per week.

The bill would repeal the ten- and twelve-hour per week limits on participating in educational and training activities in a CSJ or transitional placement. The overall 40-hour per week limit would still apply on the combined amount of work activities and education and training activities.

Further, the bill would repeal the requirement that a participant engage in 25 hours per week of employment or work in a CSJ or transitional placement in order to participate in the technical college/post-secondary education program.

[Bill Sections: 620, 626, and 627]

5. LIMITS ON PARTICIPATION IN W-2 PLACEMENTS

Governor: Repeal the 24-month limit for individuals to participate in TEMP, CSJ, and

transitional W-2 placements. The administration's cost-to-continue funding estimate reflects caseload trends that do not account for individuals losing eligibility for these programs due to the current 24-month limit. Consequently, any increase in W-2 costs due to extending eligibility for these placements is effectively funded under the W-2 benefits item.

[Bill Sections: 618, 621, 623 thru 625, 629, and 631]

6. W-2 TEMPORARY EMPLOYMENT MATCH PROGRAM 60099

Governor: Modify the maximum weekly number of work hours an individual may work under the temporary employment match program (TEMP), from 40 under current law, to the number of hours negotiated between the W-2 agency and the employer.

In addition, replace statutory references to TEMP with "subsidized employment placement," and repeal references to the trial jobs program, which was replaced by the temporary employment match program in 2013 Act 20.

[Bill Sections: 608, 609, 612 thru 617, 619, 622, 628, 639, 878, 933, 964, 1036, 1109, and 1885]

7. W-2 INTERNET SERVICE PROVIDER SUBSCRIPTIONS 60098

FED	\$10,600,000
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Governor: Provide \$5,300,000 annually and create a new benefit under the W-2 program that would allow persons who meet the W-2 program's nonfinancial and financial eligibility requirements to apply to DCF for a monthly amount sufficient to pay the cost of an Internet service provider (ISP) subscription or \$57, whichever is lower. Require all applications to include documentation of the ISP and the monthly cost of the subscription. Provide that, if DCF determines that an applicant is eligible, DCF would be required to coordinate with a W-2 agency to make payments on behalf of the person to the appropriate ISP. DCF would be authorized to promulgate emergency rules to implement the W-2 ISP subscription program without the finding of an emergency.

[Bill Sections: 632 and 9106(3)]

8. W-2 CARETAKER OF INFANT TIME LIMIT 60086

FED	\$422,800
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Governor: Increase funding for W-2 benefits by \$377,200 annually to fund costs of extending W-2 benefits by four weeks for custodial parents of infants. Under current law, an individual who meets the nonfinancial and financial eligibility requirements for a W-2 employment position and who is a custodial parent of a child who is eight weeks old or younger is eligible to receive a monthly grant of \$673. The bill would alter the eligibility requirements so that a custodial parent of a child who is twelve weeks old or younger could receive the grant.

Expanding the placement for caretakers of infants also has the estimated effect of decreasing costs in the Wisconsin Shares child care subsidy program by \$165,800 annually, due to the



State of Wisconsin
2019 - 2020 LEGISLATURE

LRBb0395/0-1 P1
EHS: ...
SKW

LFB:.....Gentry - Motion #5; Wisconsin Works and TANF changes

FOR 2019-2021 BUDGET -- NOT READY FOR INTRODUCTION
ASSEMBLY AMENDMENT ,
TO ASSEMBLY BILL 56

1 At the locations indicated, amend the bill as follows:

2 **1.** Page 396, line 1: delete that line.

INS
1-4

3 **2.** Page 516, line 1: delete lines 1 to 11.

4 **3.** Page 519, line 15: delete lines 15 to 24. *the material beginning with that line and ending with page 520, line 15*

5 **4.** Page 520, line 25: delete the material beginning with that line and ending
6 with page 521, line 10.

INS
1-7

7 **5.** Page 522, line 7: delete lines 7 to 12.

8 **6.** Page 522, line 16: delete lines 16 to 25.

9 **7.** Page 525, line 6: delete lines 6 to 12.

10 **8.** Page 525, line 16: delete lines 16 and 17.

**2019-2020 DRAFTING INSERT
FROM THE
LEGISLATIVE REFERENCE BUREAU**

LRBb0395/ins ^{PI}
EHS:...
SKW

1 **INSERT 1-4**

2 **1.** Page 518, line 5: delete lines 5 to 23.

3 **INSERT 1-7**

4 **2.** Page 521, line 23: delete the material beginning with that line and ending
5 with page⁵22, line 25.



State of Wisconsin
2019 - 2020 LEGISLATURE

LRBb0395/P1
EHS:skw

LFB:.....Gentry - Motion #5; Wisconsin Works and TANF changes

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- 2 **1.** Page 396, line 1: delete that line.
- 3 **2.** Page 516, line 1: delete lines 1 to 11.
- 4 **3.** Page 518, line 5: delete lines 5 to 23.
- 5 **4.** Page 519, line 15: delete the material beginning with that line and ending
6 with page 520, line 15.
- 7 **5.** Page 520, line 20: delete the material beginning with that line and ending
8 with page 521, line 10.
- 9 **6.** Page 521, line 23: delete the material beginning with that line and ending
10 with page 522, line 25.

